

## RECEIPTS AND EXPENDITURES

### BUDGET TO ACTUAL COMPARISON 1997 - 2001 AND 2002 BUDGET (Continued)

#### GENERAL EXPLANATION OF VARIANCES

Variances in operating receipts are generally due to abnormal climatic conditions.

Variances in system development charges are generally related to levels of activity in the home building industry.

Variances in capital improvements are generally due to changes in project scheduling.

<sup>1</sup>1997 Operating Receipts were over budget by \$7.5 million due to an increase in billings for October and the City & County of Denver paying past due amounts and converting to a monthly basis.

<sup>2</sup>1997 System Development Charges were over \$30.8 million due to substantial continued growth in the housing market, unbudgeted amounts of \$22.9 million from South Adams County, \$963,000 from the City of Arvada, and \$1.2 million from Araphoe Estates Water District.

<sup>3</sup>Prior to 1999, the budgeted beginning cash and investment balance was estimated. Since 1999, the actual beginning cash and investment balance is used.

<sup>4</sup>1998 Capital Budget - this high level of expenditure reflects acquisition of gravel pit storage at \$4.1 million, updates and improvements to the treatment plants to comply with Federal and State regulations of \$13.3 million, construction of the Colorow and Chatfield Reservoir totaling \$3.7 million, the low-side addition to Chatfield Pump Station at \$2.4 million, construction of Conduit 74, phase 3 and 4, totaling \$4.7 million, and purchase of new computer systems at \$2.1 million.

<sup>5</sup>1998 Actual System Development Charges receipts of \$33.2 million were \$14.0 million more than budgeted substantially due to an unbudgeted receipt of \$12.5 million from Public Service Company for delivery of 5,200 acre feet of non-potable water.

<sup>6</sup>1998 Actual Capital Expenditures (including indirects of 8.9 million) of \$67.3 million exceeded budget by \$9.4 million primarily due to an unbudgeted acquisition of the Moffat Water Tunnel for \$7.0 million and \$4.0 million more than budgeted for acquisition of gravel pit storage. These increases were partially offset by underruns of \$1.5 million for construction of Colorow Reservoir and \$1.6 million for installation of natural gas and variable engines at six pump stations. Both of these projects were deferred to 1999.

<sup>7</sup>1999 Actual Bond Proceeds of \$14.5 million were \$23.8 less than budgeted due to not issuing new Certificates of Participation as budgeted.

<sup>8</sup>1999 Capital Improvements were under budget by \$10.0 million primarily due to the timing of the following projects: Gravel Pit purchases (\$4.5 million), construction of the Reuse Plant (\$3.1 million), construction of a new 5.0 million gallon reservoir at Chatfield (\$1.6 million) and construction of Colorow Reservoir (\$1.5 million).

<sup>9</sup>2000 Actual Operating receipts were over budget due to the unusually warm weather and the resulting high consumption during much of 2000.

<sup>10</sup>2000 System Development Charges were over budget \$6.5 million due to substantial continued growth in the housing market and an unbudgeted second payment of \$1.1 million from Willows Water District to pay down their debt.

<sup>11</sup>2000 Capital Improvements were over budget \$5.8 million primarily due to Gravel Pit purchases (15.1 million) partially offset by underruns of \$4.0 million for construction of Reuse Plant, \$1.9 million Gross Dam Gates on Outlet works and several other large projects.

<sup>12</sup>2001 Actual Operating receipts were over budget due to the unusually warm weather and the resulting high consumption during much of 2001.

<sup>13</sup>2001 Actual Reimbursements & Grants were over budget due to settlement payment of \$ 5 million for Conduit 94.

<sup>14</sup>2001 Actual Bond Proceeds were over budget by \$ 21.5 million as a result of selling Certificates of Participation to take advantage of favorable interest rates.

<sup>15</sup>Reflects change in market valuation as of the end of the year for investments at Denver Investment Advisors